



at a fraction of the cost required to fully reconstruct a street that has reached a point of failure. Other factors that are taken into account when deciding which streets to fix in any given year include the number and types of vehicles that use a street, the street's function in the overall transportation system, the results of scientific testing that reveal subsurface conditions, and the availability of funding.

**Q. Do other cities in Oregon have similar charges?**

**A.** Twenty-one Oregon cities have transportation utility fees in place, including five cities that also have local gas taxes in place. The Eugene City Council approved a TSMF in 2002; however, the council rescinded the TSMF in 2003 in hopes that alternate solutions could be found. A complete list of Oregon cities that collect transportation system fees can be found on the "Street Funding" web site.

**Q. Have other funding options been considered?**

**A.** More than five years ago, the citizen members of the Eugene Budget Committee concluded that the fairest and most equitable way to distribute the cost of maintaining our local transportation system is a combination of funding sources. Options that have been considered include general obligation bonds, a county vehicle registration fee, street lighting districts and special fee categories. Ultimately, the Budget Committee and the City Council determined that the two fees that are equitable, practical, sustainable and sufficient to address the problem are the local gas tax and a local transportation system maintenance fee.

**Q. Is a TSMF a fair charge, particularly for people who don't have cars?**

**A.** The underlying philosophy of the TSMF is that everyone uses the transportation system and so everyone should pay at least something to operate, maintain and preserve the system. Even people who don't own or drive cars rely on the transportation system for the delivery of goods and services, ride buses, walk on sidewalks or ride bicycles.

**Get Involved, Get More Information**

There are a number of ways you can provide comments or get more information on Eugene's transportation funding needs. Presentations will be offered at various neighborhood meetings, a video will air on Metro TV (Comcast channel 21), a newsletter will be sent to every household in Eugene, and comments can be submitted via the internet, by phone, or by mail. The Eugene City Council has asked for a public hearing on the current proposed TSMF to be held in October 2006.

◆ Visit the "Street Funding" web site at [www.eugene-or.gov/pw](http://www.eugene-or.gov/pw) for a schedule of presentations, an online comment form, examples of estimated rates, the draft TSMF ordinance, details on similar fees collected in other cities, City Council documents, and other materials related to the proposed TSMF.

- ◆ Call the Eugene Public Works Utility Billing staff at 541-682-4900.
- ◆ E-mail the Public Works Department at [pwadmin@ci.eugene.or.us](mailto:pwadmin@ci.eugene.or.us).
- ◆ Mail the Eugene Public Works Department, Administration Division, at 858 Pearl Street, Eugene, OR 97401

September 2006



**TRANSPORTATION  
SYSTEM INVENTORY**

Streets maintained by City:  
516 centerline miles

Improved asphalt:  
421 miles

Improved concrete:  
30 miles

Unimproved (gravel, dirt):  
65 miles

Alleys:  
42 miles

Bike paths (off-street):  
33 miles

Bike lanes/route (on-street)  
93 miles

Bridges maintained by City:  
91

Sidewalks/pedestrian ways:  
633 miles

Sidewalk access ramps:  
5,959

Street lights:  
8,760

Street name signs:  
8,855

Traffic signs:  
16,066

Traffic signals:  
227

(as of April 2006)



# Take a Closer Look 2006

## Transportation System Maintenance Fee Fact Sheet

**The City of Eugene is considering a transportation system maintenance fee (TSMF) to generate locally controlled, sustainable revenue to operate, maintain and preserve the local transportation system. Here are answers to some of the most commonly asked questions about the TSMF.**

**Q. What is a transportation system maintenance fee?**

**A.** A transportation system maintenance fee (TSMF) is a fee collected from every home and business located in the city to pay for operating and repairing city streets and other elements of the local transportation system. The TSMF is based on the idea that the streets, sidewalks, bike lanes, street lights and the other elements of the City's transportation system are a public utility providing services to everyone in the community. The TSMF charge is primarily based on an estimated level of use of the transportation system by different types of businesses and residences.

The proposed Eugene TSMF has several components:

- ◆ A variable trip-rate component that uses national trip data to calculate a customer's impact on the transportation system.
- ◆ A flat base-rate component.
- ◆ A small, flat administrative component.

**Q. What would the money be used for?**

**A.** As proposed, the TSMF would be used to fund the operation, maintenance and preservation of the existing transportation system, including funding to reduce the backlog of needed street repairs. The ordinance would prohibit the use of revenues for capacity-enhancing street improvements such as constructing new streets or adding travel lanes to existing streets. The variable trip-rate component would take into account the amount needed for pavement preservation projects for the year. The flat-base rate component would take into account the amount needed for street operations and maintenance activities. The administrative fee component would be based on the amount needed to recover the cost of billing and fee administration.

**Q. Who would be charged?**

**A.** The TSMF would be paid by everyone having possession or control of developed property in the city of Eugene. No one would be charged for vacant



City of Eugene  
Public Works  
[www.eugene-or.gov/pw](http://www.eugene-or.gov/pw)

EXAMPLES OF MONTHLY TSMF FEES		
	Size	Estimated Total Monthly Fee
<b>Residential</b>		
Single-Family Home	1	\$5.22
Apartment	1	\$4.43
Mobile Home	1	\$4.01
Retirement Apartment	1	\$3.41
Group Housing	6 rooms	\$6.63
<b>Low Traffic Impact</b>		
General Office Building	12,000 sq. ft.	\$19.95
Park	34.5 acres	\$52.23
Motel	30 rooms	\$45.77
General Light Industry	11,000 sq. ft.	\$18.51
<b>Medium Traffic Impact</b>		
Clinic	4,500 sq. ft.	\$33.66
Specialty Retail Center	5,000 sq. ft.	\$37.10
Shopping Center	100,000 sq. ft.	\$690.01
Discount Club	35,000 sq. ft.	\$243.28
<b>High Traffic Impact</b>		
Government Office	18,000 sq. ft.	\$372.65
Supermarket	40,000 sq. ft.	\$824.76
Quality Restaurant	6000 sq. ft.	\$126.04
Fast Food Restaurant	2,500 sq. ft.	\$54.11
<b>Education</b>		
Elementary School	135 students	\$47.41
Middle School	300 students	\$102.00
High School	1500 students	\$499.08
University of Oregon	20,000 students	\$6,620.68

property or property outside the city. In the case of rentals or leased property, the charge would be paid by the person who pays the utilities (for example, water, electricity, stormwater and wastewater) for that property.

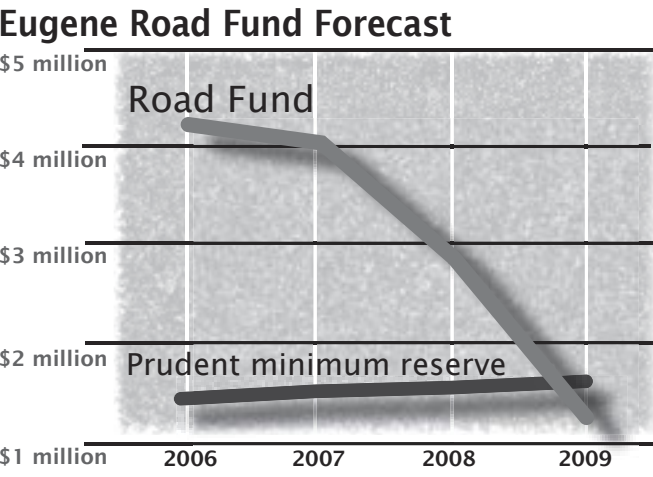
**Q. How much would the charge be?**  
**A.** The TSMF methodology proposes five residential and four non-residential categories. The current estimate is that a single-family home would pay a TSMF charge of approximately \$5.22 per month. Other residential units such as apartments would be charged a slightly smaller amount per dwelling unit. Commercial and industrial properties would be charged based primarily on the number of trips they generate. Schools and other educational facilities are in a separate category based on their unique uses of the transportation system. A detailed summary of sample charges can be viewed by clicking on the “Street Funding” link at [www.eugene-or.gov/pw](http://www.eugene-or.gov/pw).

**Q. How would the charge be collected?**  
**A.** One option under consideration would be to collect the charge once a month on local utility bills. City staff is working with the Eugene Water & Electric Board to see if this is feasible. There are other collec-

tion options, such as using a commercial billing service or creating a monthly billing service at the City of Eugene. The goal of City staff is to find the least-costly collection option to keep costs down for ratepayers and to ensure that as much revenue as possible goes to transportation system operations, maintenance and preservation.

**Q. Why is there a need for more transportation revenue?**  
**A.** Eugene is seeking a comprehensive solution that addresses both day-to-day operation and maintenance and capital preservation of the City’s transportation system.

Through its road operating fund, Eugene provides a wide range of transportation services, including maintaining pavements on streets, sidewalks and bike paths, operating street lights and traffic signals, signing and striping more than 500 miles of roadway, and keeping sidewalks safe, and encouraging the use of alternate modes of transportation. An independent audit in 2001 confirmed that Eugene’s road fund operations are efficient and cost-effective compared to other cities. Despite efficient operations and a cut of more than \$800,000 in



road fund activities in 2004, projections show that the road fund operating budget will eat up the last of its reserves by 2009, which means that either more operating revenue must be raised or core transportation services must be cut.

Most of Eugene’s road fund revenue comes from the City’s share of state gas taxes and truck taxes. These taxes have not increased since 1993 although the cost of operating and maintaining the transportation system has risen as have the traffic loads on Eugene’s streets. As a result, the value of gas tax receipts, adjusted for inflation, has decreased over the past decade. Since 2004 the state of Oregon has also passed through some additional state funding, referred to as “OTIA III” funds. Even with this increase, once the numbers are adjusted for inflation it is clear that the City now receives less from these sources than it did six years ago.

Historically, Eugene’s road fund has also received more than \$1 million year from Lane County in the form of revenue-sharing payments. However, the revenue-sharing agreement expires in June 2007, and Lane County has given no sign that it will renew the agreement.

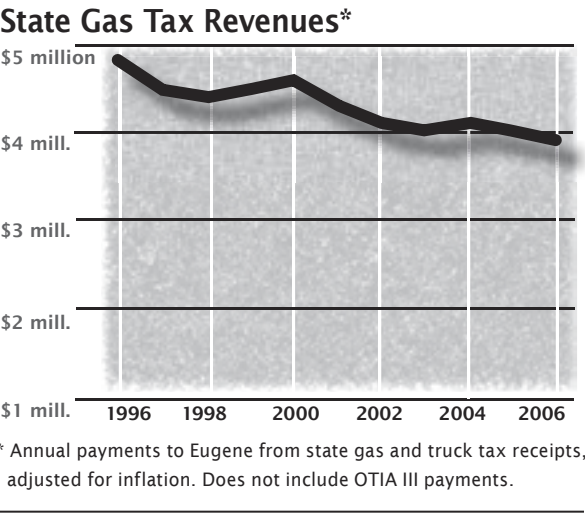
Eugene’s local fuel tax is used exclusively to fund to capital preservation street projects, and fuel tax funds have not been used for transportation system operations such as patching potholes, striping the streets, or keeping street-lights lit. But even with the local fuel tax Eugene is continuing to fall behind on major street repairs. The unrepaired portions of Eugene’s 500-mile street system have continued to deteriorate, and the backlog of needed but unfunded pavement repairs has grown to more than \$100 million. Increasing the annual investment in pavement repairs can reverse this trend, increase safety and comfort for transportation system users, and, in the long run, reduce some of the operating and maintenance costs associated with repairing deteriorated street surfaces.

**Q. What has Eugene been doing with the money it collects from the local gas tax?**

**A.** The 3-cent local fuel tax implemented by the City Council in August 2003 and raised to 5 cents in February 2005 is expected to generate nearly \$3.6 million a year. That money, along with some additional sources of revenue dedicated to preservation projects, has allowed the City to complete nearly \$7.5 million in street preservation project work since the implementation of the fuel tax, with additional contracts in process. This year, over 17 lane miles of pavement repairs are scheduled, including the reconstruction of Hilyard Street. A complete list of streets that have been repaired through the Pavement Preservation Program can be found on the “Street Funding” web site.

**Q. How are pavement preservation projects prioritized?**  
**A.** The primary goal of Eugene’s pavement preservation program is to slow or reverse the increase in the backlog of needed street repairs, which currently totals more than \$100 million. Often, this means not doing the worst streets first but, rather, fixing streets that otherwise would fall into a significantly greater condition of disrepair. This was confirmed as the most cost-effective strategy by an independent consultant in 2001.

The Public Works Department has used a pavement management system for the past 20 years to keep track of pavement conditions throughout the city. Timely maintenance can preserve a street with minor to moderate deterioration



**2006 PAVEMENT PRESERVATION PROJECTS**

- E. 40th (Donald-Willamette)
- E. 43rd (Fox Hollow to Donald)
- Arthur St./ Garfield St. (W.11th Ave. -18th)
- Donald St.(40th to 46th)
- Hilyard St. (E. 13th Ave. to E. 24th Ave .)
- Oakway Rd. ( Fairway Loop. to Coburg Rd.)
- Patterson St. (E. Broadway to E 13th Ave.)
- Polk St. (W.12th Ave. to W.18th Ave.)
- Seneca Rd. (W.7th Ave. to W.11th Ave.)
- Washington St. (W.6th Ave. to W. 8th Ave.)
- Franklin Boulevard (Agate Street to 11th Avenue)
- Terry Street (Barger Avenue to north end)
- Churchill Street (18th Avenue to Harvard Drive)
- Cornell Way (Parliament to Princeton)
- Paget Street (Harvard to Parliament)
- Parliament (18th to Bailey Hill Road)
- Princeton Street (18th to Parliament)
- Backlund (Debrick to 1126)
- Clinton Drive (Crenshaw to Willagillespie)
- Lorella (Debrick to end)
- Naomi Court (Clinton to end)
- Robin Hood (Willagillespie to Sherwood Place)
- Sherwood (Willagillespie to Robin Hood)
- Valley Butte (Clinton to 1132)